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Consumer behaviour towards willingness to pay for Halal products: An assessment of demand for Halal certification in a Muslim Country

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Abstract

Purpose: The study empirically analyzed the factors affecting Muslim consumers' willingness to pay for Halal food, products and operations by employing Theory of Reasoned Action.

Design/methodology/approach: This study has used quantitative research methodology and collected data from 350 from a densely populated city of Pakistan. PLS-SEM (Partial Least Squares- Structural Equation Modeling) was used to analyze the data.

Findings: The results show that the concerns about Halal, religiosity, perception of usefulness of halal and product ingredients have a significant impact on willingness to pay (WTP) for Halal foods, while attitude has an insignificant impact on WTP. Moreover, the extent of demand for Halal certification is significantly affected by WTP.

Originality/value: The study highlighted the concerns of the Muslim consumers with respect to halalness of the products and operations despite living in a Muslim country. It is recommended that the policy makers, food authorities and health institutions should conduct regular inspections of foods, products and producers'/manufacturers' operations to ensure that all the procedures from manufacturing of the raw material till the finished goods follow Islamic principles to make them completely Halal.

Keywords: *Perception of usefulness of Halal, Concern on Halal, Attitude, Religiosity, Product Ingredient, Willingness to Pay, Extent of Demand of Halal Certification of Products.*

1. INTRODUCTION

In this era of globalization, products are processed and produced through various operations and stages before they reach the end consumers and they are consumed. The end consumers usually don't know about the manufacturing processes involved as well as the ingredients used in the products which causes uncertainty and suspicious among the consumers about the food safety. For the Muslim world, a product is considered to be healthy, safe or hygienic, only if it has gone through Halal process and made with Halal ingredients in accordance with the Shariah principles. Fathi et al. (2016) observed that the need and demand for the certification of Halal is now intensified in both non-Muslim and Muslim countries. Consumers are also expressing their concerns about the authenticity of Halal labels on the products and the manufacturing processes even in Muslim majority countries.

Earlier, the concept of Halal food was only confined to the meat products. But nowadays Pakistani media channels are highlighting the issues regarding food contamination and non-Halal food ingredients present in the Halal food. Despite the introduction and operationalization of Pakistan Halal Standard (PS: 3733; 2010) by Pakistan Standard Quality and Control Authority (PSQCA), and accreditation process for Halal certification by Pakistan National Accreditation Council (PNAC; 2015), there is no legal binding so far for the Pakistani industries to get Halal Certification. In B2B context, it is mandatory to have Halal Certification to export food products to UAE, Malaysia and some other countries, which has resulted in the emergence of Halal certified firms, pharmaceutical industries and cosmetic industries in Pakistan. However, due to the alarming media campaigns, consumers in Pakistan have now become concerned about the Halalness of the operations and/or products. In this situation, consumers' demand for Halal certified and labeled

products has now increased, although the consumers have limited knowledge regarding the Halal operations (Alqudsi, 2014).

The literal meaning of Halal is lawful or permitted. However, according to the Islamic law of Shariah, any food permitted to be eaten is known as Halal¹. Transportation, storage, purchasing, materials, handling, equipment, as well as the flow of documentation and information in compliance with the common rules of the law of Shariah for producing both non-food and food products are known as Halal operations². The concept of Halal is not related with food products only, but is also related with cosmetics, personal care, pharmaceutical and other products as well. Since these are majorly being produced by non-Muslim manufacturers (Lever and Fischer 2018), therefore, there is a concern among the consumers about the Halalness of their ingredients. Involvement of pork meat and alcohol extracted enzymes as a preservative creates a great deal of suspicion among Muslim consumers looking for Halal products (Mukhtar and Butt, 2012; Lever and Fischer 2018). Therefore, Muslims are having concerns about the ingredients of non-food items as well (Rusdi et al., 2016; Lever, Fischer and Bergeaud-Blackler, 2015).

Halal operations in supply chain management (SCM) is an important area for Halal industry for insuring the Halal integrity from the source to the point of consumer purchase. However, literature on Halal food operations in SCM is still limited (Zulfakar et al. 2012; Al-Salem, 2009; Zakaria, 2008; Laldin, 2006). Impact of globalization has made the movement of food more complex (Bonne & Verbeke, 2008) causing ambiguity regarding halalness of product. Like the food producers, logistics industry is also being questioned nowadays regarding their operations of producing Halal products and they are under increasing pressure to get certification as per Halal standards for their products (Abdul et al., 2009; Muhammad et al., 2009; Othman et

¹ http://www.halalchoices.com.au/what_is_halal.html

² http://www.kn.com.my/images/stories/halal_circular.pdf

al., 2009). There is usually a substantial cost and effort required for companies to get Halal certification for their operations. Moreover, there is a possibility of innovation in Halal operations as long as it doesn't contradict with the Shariah law. Hence the manufacturers and logistics providers seek noteworthy motivation to invest their resources for transforming to Halal certified operations. Thus the study on consumer attitude deem necessary.

In supply chain of Halal food, in addition to ensuring customer satisfaction, it is also required that the Halal status of the food products remains unharmed throughout the process (Bahrudin, Illyas & Desa 2011). Moreover, researchers are in agreement that there is a lack of insight into consumers' attitude as well as their awareness levels regarding Halal certification (Rezai et al., 2012; Rajagopal, Ramanan, Visvanathan & Satapathy 2011) even in Muslim countries (Ambali & Bakar, 2014; Aziz & Chock, 2013). Therefore, Ambali and Bakar (2014) questioned the Muslims' level of awareness and the sources or factors contributing to awareness in the context of Malaysia. Since the same issue is also prevailing in Pakistan, which is one of the most populated Muslim countries, the exploration of this problem is essential.

The objective of this research is twofold. Firstly, it aims to understand the consumer attributes that drives consumer willingness to pay for Halal products. Secondly, it intends to provide market assessment and segmentation of Halal products for producers, operators and marketers in a Muslim populated country. The study will help the practitioners and policy makers in their respective analysis in relation with the consumers' demand and their behavior about Halal products and operations. This study will also help the respective product inspection authorities to implement updated standards for meeting the consumer demand, removing their concerns and eliminating their misperceptions regarding Halal operations and products. At macro level, this study will also help the Muslim world in understanding the supply and demand of Halal products.

2. REVIEW OF LITERATURE

2.1 Theoretical Background

Any action, manner or attitude that an individual possesses or engages in is known as behavior. For explaining the varieties of behavior, Theory of Reasoned Action (TRA) is an appropriate theory, according to Fishbein (1967). According to TRA, the intention of behavior is an immediate behavioral predecessor which is the consequence of a collective attitude towards behavior. Behavior is defined by Ajzen and Fishbein (1980) as the general feelings of an individual related to un-favorableness or favorableness regarding that behavior. TRA, according to Spears & Singh (2004) is a significant theory for predicting the consumer's probability, purchasing expectations and the sensible efforts of consumers they exert for buying any kind of product. Different researchers have suggested the application of TRA in the context of Halal. For instance, Mukhtar and Mohsin (2012) recommended the usage of TRA for predicting the purchasing behavior of consumers regarding Halal products, Amin (2013) and Ali, Raza and Puah (2017) extended TRA in the context of Islamic credit cards, and Rahman, Asrarhaghighi and Rahman (2015) urged in the context of cosmetics. Similarly, the present study also intends to extend TRA in the domain of Halal products

2.2 Development of Hypotheses

2.2.1 Perceptions of Usefulness of Halal Products on Willingness to Pay

Halal products represent clean process and healthier lifestyle, therefore, the acceptance of the Halal services and products is reported among non-Muslims and Muslims both (Ambali and Bakar, 2013; Aziz and Chok, 2013). Othman et al. (2009) revealed an issue of noncompliance amongst certified service providers. The commitment for well-practiced Halal compliant

operations may influence the end consumers to pay more for Halal certified products (Kamaruddin et al., 2012; Tieman et al., 2013). Thus, the following hypothesis is developed:

H1. Perceptions of the usefulness of Halal certification significantly influences the consumers' willingness to pay.

2.2.2 Consumer's Concern about Halal Products on Willingness to Pay

According to Othman et al. (2009), it is indicated that the confidence of consumers is strengthened by the Halal logo on the products due to the wide acceptance among the Muslim consumers. Now the manufacturing process is not the only concern of the customers, as they are also concerned with all the activities included in the supply chain of the Halal food products (Jaafar et al., 2011). However, the effect of consumers' concerns about Halal products on their willingness to pay for Halal products is still unclear and has to be identified for effective promotion of the Halal certification. Thus, the following hypothesis is developed:

H2. Consumers' concern about Halal products significantly influences their willingness to pay.

2.2.3 Attitude on Willingness to Pay

According to the TRA, consumers' attitudes positively influence their intentions to purchase a product (Madden et al., 1992). Lada et al., (2009) assessed this relationship for Halal products and found that attitude and intention have a positive relationship with choosing Halal products. Bonne et al. (2007, 2008) revealed that relationship for choosing Halal meat products has a positive relationship with attitude and intention.

In Saudi Arabia and UAE, a survey from consumers revealed that usually consumers are concerned about the Halal status of meat products (Ireland and Rajabzadeh, 2011). The findings of Rajagopal *et al.*, (2011) depicted that most UAE consumers, when purchasing cosmetic products, never look for Halal certification, probably due to their mental association of Halal with products for internal consumption only. Since the results were inconsistent between the above two studies on samples from the UAE, this study will explore that if there is a significant influence of attitude of Pakistani consumers towards Halal products on their purchase intention towards Halal products. Therefore, it is hypothesized that:

H3: Attitude significantly influences the consumers' willingness to pay for Halal.

2.2.4 Religiosity on Willingness to Pay for Halal

Religiosity refers to a person's beliefs about the absolute inherent truth qualities and definitiveness of a religion's scriptures and teachings (Moschis and Ong, 2011). Religiosity is an important variable that determines the behavior of people (Alam *et al.*, 2011; Berger, 1961; Schneider *et al.*, 2011) and can also affect the behavior and attitudes of consumers (Delener, 1990, 1994; Mullen *et al.*, 2000; Pettinger *et al.*, 2004; Wilkes *et al.*, 1986). Religion plays the most significant role in determining the food choices in many societies (Dindyal and Dindyal, 2003; Musaiger, 1993). Previous researchers on consumer behavior have found a significant relationship between the religious affiliation of a consumer and a number of variables related to consumption (Swimberghe *et al.*, 2009). Though the strength of religiosity varies from person to person, however, the exact role of religion in food choices of consumers is not clear (Bonne *et al.*, 2008;

Delener, 1990). Since consumers are now more concerned about the Halal status of the products that they are consuming, this study will also examine the relationship of religiosity with the consumers' purchase intention to buy Halal products. Therefore, the following hypothesis is developed:

H4. Religiosity significantly influences the willingness of consumers to pay for Halal products.

2.2.5 Product Ingredients on Willingness to Pay for Halal Products

The purchase intentions of consumers towards food are generally highly related with environmental and individual factors along with the ingredients of products (Golnaz, Zainal, & Mad-Nasir, 2012). As per the Islamic point of view, the ingredients of a product need to meet certain criteria set by the Shariah law. Therefore, the knowledge about the product ingredients is important for the consumers, since the possibility of acceptance or rejection during the process of purchasing decision is there. From the familiarity aspect on the ingredients of product, it has a potential for influencing the judgment of Muslims upon its "Halalness". Mostly consumers are very serious about knowing what they are consuming and they get the relevant information through labeling (Wandel, 1997). Producers use different and uncommon names for the ingredients, so the terminology for describing non-chemical & chemical additives input might be difficult to understand (Davies & Wright, 1994). Therefore, the halalness of those unfamiliar ingredients comes under suspicion among the customers. Moreover, Halal food, according to the Islamic law, must not contain any animal parts that are not allowed to be used or consumed by Muslims. In addition, halal food is also required to meet the quality and safety standards according to Shariah (Ardayanti, Nashril & Helmi, 2013). Therefore, it is hypothesized that:

H5: Product ingredients significantly influence the willingness to pay for Halal products.

2.2.6 Halal Certification on Willingness to Pay

The economic term, willingness to pay, refers to the price of reservation, or in other words, the maximum amount a customer is willing to pay for a variety of products. It is also defined as the price at which a consumer is indifferent to buying and not buying a product is referred to as willingness to pay (Jedidi and Zhang, 2002). In order to achieve the Halal compliance parameter, the services of Halal operations are needed for incorporating the costs. However, the problems, such as refusal of consumers to pay more for Halal products, can affect the demand of consumers for these products and can be an obstruction for the halal products' success (Kamaruddin et al., 2012). Thus, the following hypothesis is developed:

H6. The demand for Halal certification of consumers significantly influences the consumers' willingness to pay.

2.3 Conceptual Framework

The aforementioned hypothesized relationships are summarized in Figure 1

< Insert Figure 1 here >

3. Research Methodology

3.1 Research Design

The current study uses quantitative approach by employing the survey design. For the purposes of data cleaning and analysis, SPSS and SmartPLS were used.

3.2 Data Source and Instrumentation:

The questionnaire for this study was developed by adapting halal oriented items from the literature. Precisely, Perceptions of usefulness of Halal and Concern on Halal consist of 4 items each adapted from Fathi et al. (2016), Attitude consist of 4 items adapted from Rahman et al., (2015), Religiosity consist of 4 items adapted from (Aziz et al., 2010; Lada et al., 2009; Salman and Siddiqui, 2011), and Product ingredients consist of 4 items adapted from Yunus et al., (2014). Moreover, Willingness to pay and Extent of demand of halal certification consist of 5 and 4 items accordingly adapted from Fathi et al., (2016). The study used the sampling frame of all Muslim consumers living in Karachi, Sindh. Karachi is the main economic hub of Pakistan, also known as the mini Pakistan because of the residents having representation from all the provinces, spoken languages and cultures of the country. 365 self-administered questionnaires were distributed by using convenience sampling technique, of which 350 become the part of this study. Flexible time was provided to the respondents to fill them up as per their comfort and ease. The respondents were informed about the purpose of research prior the data collection and their consent was taken by assuring them that their personal information would be kept safe and confidential, and would be used for research purpose only.

3.3 Demographics

<Insert Table 1 here>

Table 1 summarizes the demographic profile of the respondents.

4. DATA ANALYSIS

4.1 Statistical Analysis and Results

For testing the research model, the current study used the partial least squares (PLS) technique of structural equation modeling (SEM) by using SmartPLS version 3.2.3. The reason to select this technique for the current study is the exploratory nature of the study (Hair et al., 2011). On the basis of the recommendation of Hair et al. (2013), the two-step approach was applied in this study for data analysis. The model of the study was analyzed for measurement first, and then the evaluation of the relationship among the structures of the underlying constructs was conducted.

4.2 Measurement of Outer Model

Ringle et al., (2015) stated that before the examination of the proposed hypotheses (the inner model), reliability & validity of the outer model should be established. The outer model in the present study was assessed by evaluating convergent validity and discriminant validity.

4.2.1 Convergent Validity

There are 3 measures which contribute collectively for identifying the levels of convergent validity. The first measure is the factor loading which should be statistically strong, significant and greater than 0.7. The second measure, as per Fornell and Larcker(1981), is the average variance extracted (AVE) of every construct which should be greater than 0.5. The 3rd measure is the composite reliability which should be greater than 0.7. All the above criteria, as reported in Table 2 and Table 3, were successfully met in the present study.

<Insert Table 2 here>

4.2.2 Discriminant Validity

Discriminant validity is evaluated with the help of two methods. The first method, suggested by Fornell and Larcker (1981), requires that the square roots of AVE (the diagonal line

elements), as represented in Table 3, must exceed the correlations among the variables (off-diagonal line values). The second criterion is HTMT (heterotrait-monotrait ratio of correlations) which should be less than 0.85 (Henseler et al., 2015). The third criterion is Cross loadings where the difference should exceed 0.1 (Gefen and Straub, 2005). The Tables 2, 3 and 4 confirm that our outer model successfully meets both of the measures mentioned above.

<Insert Table 3 here>

<Insert Table 4 here>

4.3 Structural Modelling and Hypotheses Testing

In the inner model hypotheses testing was done as suggested by Ringle et al. (2015) using PLS-SEM. After executing 5000 sampling with the help of bootstrap on SmartPLS, the analysis of the data for the current study was conducted.

Concern on halal, attitude, religiosity, product ingredient and perception of usefulness of halal have beta coefficients of 0.118, 0.065, 0.135, 0.218 and 0.178 respectively, with p-values of less than 0.05, except for attitude which has p-value greater than 0.05. The impact of willingness to pay on halal certification demand is 0.441, with the p-values of less than 0.05. In view of the above results, it is confirmed that all the hypothesis has been supported, except the impact of attitude on willingness to pay hypothesis, as shown in Table 5.

<Insert Table 5 here>

4.4 Predictive Relevance of the Model

In this study, predictive relevance is evaluated by R-Square and Q-Square. According to Cohen (1988), R-Square values would be considered to be mild & weak respectively, if they are

near to 0.13 and 0.02. On the other hand, according to Hair et al. (2014), Q-Square value greater than 0 is considered as high. The results depicted that the predictive power values of the exogenous constructs (i.e. predictors of willingness to pay) is very strong. Whereas the predictive power of halal certification demand lies in between the mild & strong thresholds as shown in Table 5. The results also revealed that predictive relevance is reasonable for all the constructs because the values of Q-square are above zero.

5. CONCLUSION, DISCUSSION AND RECOMMENDATIONS

Organizations usually invest when they expect value creation from consumer perspective and foresee proper return on investment. Halal operation is a capability which food and non-food companies want to acquire to enhance their acceptance among the Muslim buyers. At the same time, this capability may require a significant additional cost for assurance and transparency. Non-halal consumption of food or other commodities is always a sensitive issue for most of the Muslims consumers. Thus it is important to understand how these businesses may understand and improve consumer willingness to pay by studying consumer behavior. This study investigated the factors that affect consumers' willingness to pay for Halal accredited products. This research provides insights for producers and manufacturers of halal products about the perspective of consumers. The results of the study revealed that the perception of the usefulness of Halal food has a positive and significant impact on willingness to pay (WTP) for halal food. Concern about Halal products is growing among Muslim consumers which is supported through this finding as the consumers are concerned and willing to pay more for Halal products. However, attitude has a positive but insignificant impact on WTP. Data analysis further shows that the product ingredients and religiosity have a relatively higher positive and significant impact on WTP. The extent of demand for Halal process certification for the product is very highly and positively affected by WTP for the consumer, which may be motivating for manufacturers to invest more on developing Halal capabilities. Consumers may pay even more for Halal products, if the products are properly ensured, certified and marketed by the producers as compliant with Halal Shariah principles.

Moreover, the results also revealed that despite knowing the halal process, most of the consumers are more interested in buying food and products which are halal certified with a 'Halal' logo. The outcomes of this study also show that except the behavioral attitude of consumers, all

other studied factors are significant. One possible reason for the insignificant result could be that in Pakistan, Muslims are in a majority and they believe that Pakistani government has ensured halalness of all the products available in the market. However, there is a growing concern among Pakistani consumers about the complete authenticity and genuineness of the products marketed as halal due to the several cases rise reported in the recent past. Thus, there is a highly significant relationship of willingness of consumers to pay for halal products and the demand for halal certification of food & other products.

5.2 Recommendations

This research is very well-timed in the context of prevailing uncertainty about the halalness of food being consumed even in the Islamic countries and has some very useful and practical implications for different stakeholders in the market.

Firstly, this research recommends food manufacturers and policy makers to ensure halal processes in their operations in order to increase acceptability and profitability of the firm and avoid any embarrassing situation. Manufacturers can also take initiative by announcing publicly that their operations and ingredient they use are completely halal compliant and open for inspection. They can also remove the concerns of their consumers with the help of the marketing campaigns highlighting the halal features of their product. This tactic may provide their product with a competitive edge over their rivals and contributes to sustainability in the market against any rumour or ambiguity that may change consumer perception about haleness of the product.

Secondly, this study reveals that consumers' willingness to pay for halal guaranteed operations is positively correlated. This provides an insight to the logistics operators, channel partners and intermediaries to work on their halal certified operations as an opportunity. Their

investment on halal accreditation processes may create a value for end consumer and to their clients which may also be a distinction to gain more business against their competitors.

Thirdly, it is suggested to the food ministry, government authorities and institutions that they should conduct surprise visits as well as scheduled food inspections of production companies on a regular basis. They should also set up a mechanism of inspecting all the products and issuing them halal certification if the products fulfil halal standards. The government authorities need to ensure that the production, storage and transportation till delivery of the products to the end user must follow the Islamic laws for halal food. This visible action from government may reduce the ambiguity regarding halalness of product among consumers in an Islamic States.

Fourthly, this research highlights the need for marketers and strategy makers to understand the significance of consumer demand. They need to segment and position their products and services to tap maximum benefits out of it. Moreover, they should convince their top-management to make their products halal compliant to enhance their competitiveness in the market. Empirical studies like this are helpful for marketers and policy makers to understand behaviour and intentions of the consumers' in order to develop superior marketing and manufacturing strategies.

Lastly, this is well established statement that the world has become a global market. Based on consumers' value, product is available at any point, travelling from all over the world. This study has created the opportunity for researchers and academicians to continue research in this area not only in the countries where Muslims are a minority, but also in the countries where Muslim population is in the majority.

5.3 Future Recommendations

As the present study only focused on Pakistani consumers, future research can investigate the consumer attitude towards Halal foods in other countries and regions. A comparative analysis can also be conducted by comparing the attitudes of consumers from different countries and regions. Moreover, future researchers can also focus on a particular commodity or product to have more specific and better insight. Finally, it is recommended to investigate additional variables, such as subjective norm and awareness of halal, in future research for achieving an in-depth understanding of consumer attitude towards Halal foods.

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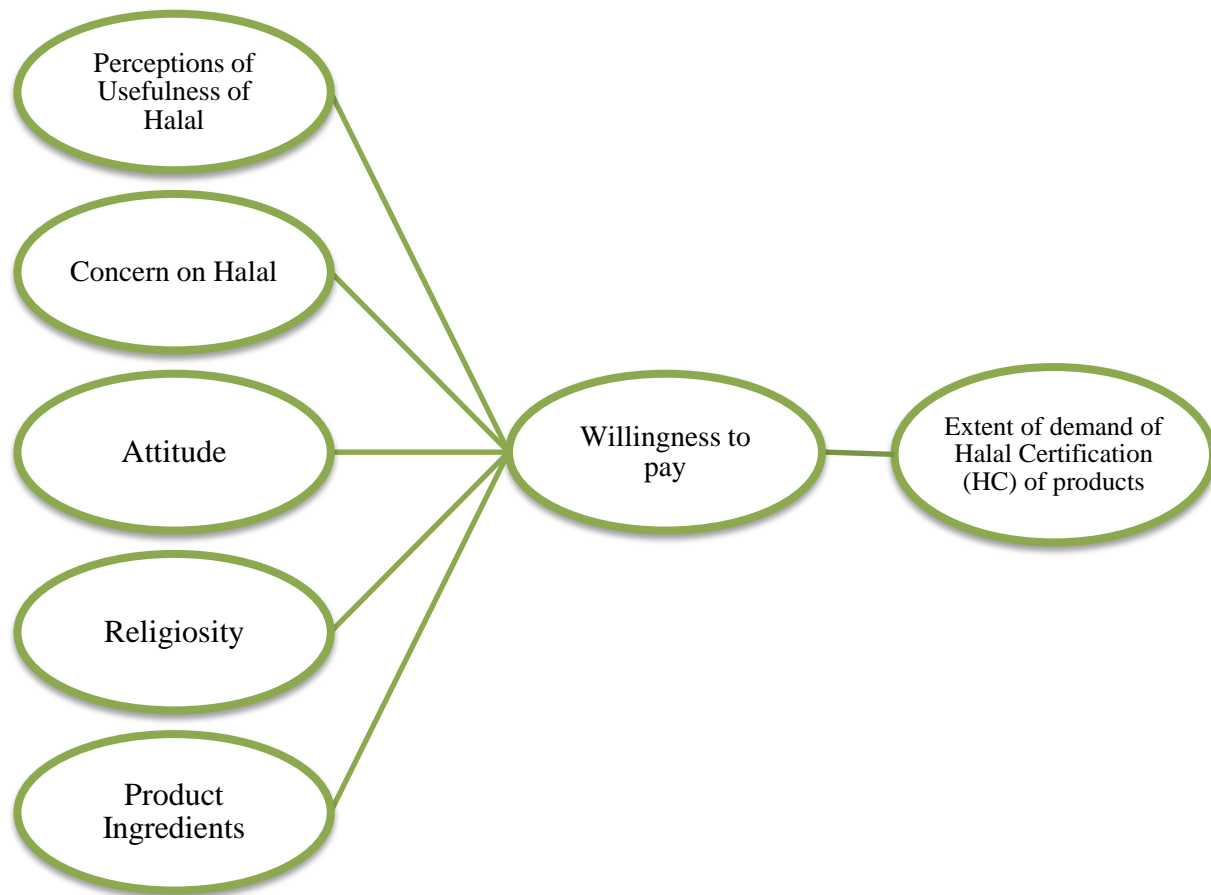


Figure: 1 Conceptual Framework of the study

Table 1: Respondents Profile

Parameters	Categories	Frequency	Percent
Gender	Male	250	71%
	Female	100	29%
Age	20-25	178	51%
	26-30	104	30%
	31-35	40	11%
	36-40	20	6%
	41-45	6	2%
	Above 50	2	1%
Occupation	Employed	266	76%
	Unemployed	84	24%
Marital Status	Married	102	29%
	Unmarried	248	71%
Income	15K - 25K	80	23%
	26K - 35K	94	27%
	36K - 50K	62	18%
	51K - 65K	14	4%
	66K - 80K	4	1%
	81K - 100K	4	1%
	Above 100K	8	2%
Education	Intermediate	18	5%
	Bachelors	130	37%
	Masters	182	52%
	M. Phil	16	5%
	Others	4	1%
Usually have a doubt while consuming	Meat	174	50%
	Medicine	84	24%
	Chocolate	58	17%
	Toothpaste	20	6%
	None	56	16%

Table 2: Cross Loadings

<i>Constructs</i>	<i>Items</i>	<i>AT</i>	<i>CH</i>	<i>HD</i>	<i>PH</i>	<i>PI</i>	<i>RG</i>	<i>WTP</i>
AT	AT2	0.699	0.247	0.255	0.254	0.383	0.221	0.198
	AT3	0.823	0.309	0.339	0.239	0.265	0.304	0.221
	AT4	0.675	0.430	0.137	0.384	0.392	0.208	0.246
	AT5	0.823	0.253	0.382	0.282	0.290	0.375	0.306
CH	CH1	0.243	0.656	0.093	0.205	0.150	0.011	0.080
	CH3	0.274	0.705	0.112	0.282	0.308	0.052	0.154
	CH4	0.342	0.782	0.299	0.348	0.188	0.184	0.277
	CH5	0.336	0.851	0.307	0.297	0.287	0.171	0.291
HD	HD1	0.290	0.185	0.827	0.272	0.264	0.157	0.373
	HD2	0.296	0.222	0.857	0.355	0.382	0.180	0.360
	HD3	0.298	0.289	0.859	0.527	0.387	0.228	0.412
	HD4	0.377	0.371	0.790	0.390	0.296	0.234	0.316
PH	PH1	0.253	0.276	0.405	0.732	0.479	0.344	0.375
	PH2	0.341	0.362	0.417	0.838	0.454	0.227	0.356
	PH3	0.365	0.423	0.355	0.858	0.524	0.314	0.365
	PH4	0.267	0.148	0.302	0.777	0.468	0.333	0.274
PI	PI1	0.356	0.171	0.379	0.487	0.789	0.459	0.374
	PI2	0.380	0.297	0.298	0.487	0.771	0.298	0.355
	PI3	0.198	0.122	0.285	0.274	0.650	0.223	0.248
	PI4	0.313	0.309	0.219	0.485	0.729	0.397	0.351
RG	RG3	0.321	0.155	0.189	0.219	0.252	0.713	0.237
	RG4	0.279	0.041	0.140	0.281	0.360	0.803	0.248
	RG5	0.290	0.198	0.223	0.367	0.479	0.830	0.336
WTP	WTP1	0.164	0.225	0.184	0.294	0.302	0.230	0.760
	WTP2	0.257	0.269	0.281	0.382	0.401	0.323	0.810
	WTP3	0.217	0.234	0.265	0.312	0.314	0.244	0.814
	WTP4	0.204	0.253	0.303	0.269	0.328	0.311	0.795
	WTP5	0.360	0.209	0.550	0.380	0.387	0.258	0.704

Table 3: Convergent Validity and Correlations of Discriminant validity

<i>Constructs</i>	Composite Reliability (CR)	Average Variance Extracted (AVE)	<i>AT</i>	<i>CH</i>	<i>HD</i>	<i>PH</i>	<i>PI</i>	<i>RG</i>	<i>WTP</i>
AT	0.843	0.574	0.758						
CH	0.834	0.560	0.407	0.748					
HD	0.901	0.695	0.374	0.316	0.834				
PH	0.878	0.644	0.385	0.389	0.467	0.803			
PI	0.825	0.543	0.433	0.313	0.401	0.602	0.737		
RG	0.826	0.614	0.375	0.176	0.239	0.378	0.479	0.784	
WTP	0.884	0.605	0.328	0.307	0.441	0.433	0.457	0.356	0.778

Table 4: Heterotrait-Monotrait ratio (HTMT) results

<i>Constructs</i>	<i>AT</i>	<i>CH</i>	<i>HD</i>	<i>PH</i>	<i>PI</i>	<i>RG</i>	<i>WTP</i>
AT							
CH	0.517						
HD	0.464	0.332					
PH	0.485	0.451	0.548				
PI	0.583	0.403	0.508	0.766			
RG	0.51	0.219	0.307	0.493	0.642		
WTP	0.378	0.325	0.476	0.501	0.564	0.45	

Table 5: Hypotheses Test Results

<i>Hypothesis</i>	<i>Estimate</i>	<i>S.E.</i>	<i>T -Statistics</i>	<i>P-Values</i>	<i>Decision</i>	<i>R-Square</i>	<i>Q²</i>
AT -> WTP	0.065	0.060	1.084	0.279	Insignificant		
CH -> WTP	0.118	0.047	2.532	0.012	Significant		
PH -> WTP	0.178	0.073	2.430	0.015	Significant	0.284	0.159
PI -> WTP	0.218	0.063	3.465	0.001	Significant		
RG -> WTP	0.139	0.049	2.846	0.005	Significant		
WTP -> HD	0.441	0.054	8.096	0.000	Significant	0.195	0.132

Level of significance: 0.05